

REMARKS

In the February 24, 2005 Office Action, the claims 1, 2, and 19-21 were rejected under 35 U.S.C. 112, first paragraph, as failing to comply with the enablement requirement. Claims 1-6, 14, 16, and 22 were rejected under 35 U.S.C. 112, second paragraph. Claims 7, 12, 13, and 22 were rejected under 35 U.S.C. 102(e) as being anticipated by Suzuki (U.S. Patent No. 6,313,745 B1). Claim 14 was rejected under 35 U.S.C. 102(e) as being anticipated by Smith et. Al. (U.S. Patent No. 6,785,592 B1). Claims 1, 2, and 19-21 were rejected under 35 U.S.C. 103(a) as being unpatentable over Suzuki (U.S. Patent No. 6,313,745 B1). Claim 15 was rejected under 35 U.S.C. 103(a) as being unpatentable over Smith et. al. (U.S. Patent No. 6,785,592 B1). Finally, claims 3-11, 14-21, and 23 were rejected under 35 U.S.C. 101.

The Examiner has indicated that claims 3-6 and 16-18 would be allowable if rewritten or amended to overcome the rejections under 35 U.S.C. 112, 2nd paragraph, and under 35 U.S.C. 101. Claims 8-11 would be allowable if rewritten in independent form and to overcome the rejection under 35 U.S.C. 101. Claim 23 would be allowable if rewritten to overcome the rejection under 35 U.S.C. 101. Claim 24 was determined to be allowable.

The Examiner is thanked for his attention to the present application and for his indication of allowable matter. The applicant has made the requested changes to claims 3-6, 16-18, 8-11, and 23 to expedite the issuance of the subject matter; however, the applicant reserves the right to include the unamended claims in any future continuation, divisional, or continuation-in-part application. The applicant also disagrees with the remaining claim rejections under 112, 102(e), 103(a), and 101 and requests allowance of claims 1, 3, 4, 5, 6, 11, 14, 15, 16, 17, 18, 19, 23, 24, 25, 26, 27, 28, 29, and 30.


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35 USC § 102(e) REJECTIONS

Claims 7, 12, 13, 22 were rejected under 35 § USC 102(e) as being anticipated by *Suzuki* (US Patent 6,313,745).

Under 35 USC 102, every limitation of a claim must identically appear in a single prior art reference for it to anticipate the claim. *See Gechter v. Davidson*, 116 F.3d 1454 (Fed. Cir. 1997). There must be no difference between the claimed invention and the reference disclosure. *See Scripps Clinic & Research Foundation v. Genentech, Inc.*, 927 F.2d 1565 (Fed. Cir. 1991). Anticipation can be found only when the reference discloses exactly what is claimed. *See Titanium Metals Corp. v. Banner*, 778 F.2d 775 (Fed. Cir. 1985).

The Examiner has indicated that claims 8-11, which depend from claim 7, would be allowable if rewritten to overcome *only the 101 rejections*, thus claims 8-11 are novel over *Suzuki*. Claims 7-11 have been cancelled and have been rewritten as independent claim 25 and dependent claims 26, 27, and 28. Accordingly, applicant respectfully asserts that all of the elements of claims 25-28 are not present in *Suzuki*.

Claim 12 has been cancelled.

Claim 13 has been cancelled.

The Examiner has noted that claim 22 was the system claim that paralleled the method claim 7. Claim 22 has been cancelled and newly added as claims 29-32 with the limitations that are present in the parallel method claims 25-28. Accordingly, applicant respectfully asserts that all of the elements of claims 29-32 are not present in *Suzuki*.

Claim 14 was rejected under 35 USC 102(e) as being anticipated by *Smith* (US Patent No. 6,785,592). Claim 14 has been amended to include the limitations of (1) interposing a data processing system between a consumer and a vendor, the data processing system operable to collect consumers' bills and (2) collecting the consumers' bills data from the data processing system. For Claim 14 to be anticipated it is necessary that each limitation identically appear in a

single prior art reference. Applicant respectfully submits that the newly added limitations do not identically appear in Smith. Instead, Smith teaches obtaining data directly from past vendor utility bills without interposing a data processing system between the consumer and the vendor. The following experts from the Smith specification make this clear: (1) "...energy consumption from ... previous utility bills..." and (2) "*a utility company purchases and distributes energy, maintains their meters and administers billing to clients.*" See Smith (US Patent No. 6,785,592) (emphasis added).

Accordingly, applicant respectfully submits that claims 25-30 and 14 are novel over the prior art.

35 USC § 103(a) REJECTIONS

Claims 1, 2, 19-21 were rejected under 35 USC § 103(a) as being unpatentable over *Suzuki* (U.S. Patent No. 6,313,745).

Applicant respectfully submits that Claim 1, as amended, is not obvious over *Suzuki*. Claim 1 claims *inter alia* an interactive script to determine an optimal price for a particular commoditized sellable unit based upon the payment transaction data and to compare the payment transaction data with product offers to predict market penetration. *Suzuki* does not teach an interactive script to determine an optimal price for a particular commoditized sellable unit based upon the payment transaction data and to compare the payment transaction data with product offers to predict market penetration. A limitation is not obvious over the prior art when a person of ordinary skill would be discouraged from following the path taken by the applicant. *See In re Gurley*, 7 F.3d 551 (Fed. Cir. 1994) (a reference may be said to teach away when a person of ordinary skill would be discouraged from following the path taken by the applicant). Furthermore, when considering whether a reference teaches away it is necessary to consider the reference in its entirety. *See Bausch & Lomb, Inc. v. Barnes-Hind/Hydrocurve, Inc.*, 796 F.2d 443 (Fed. Cir. 1986) (a reference should be considered as a whole, and portions arguing against

or teaching away from the claimed invention must be considered). Suzuki, in its entirety, teaches a system and method for tracking merchandise items taken into *a fitting room for providing better customer service*. In Suzuki, prices are already set and the primary concern is making sure customers are able to try on clothes that suit their needs. Because prices are set, a person skilled in the art would be discouraged, after reading Suzuki, from creating an interactive script for determining optimal prices. Furthermore, the clothes in Suzuki are already in the market given that they are being offered for sale in retail stores. Given that the clothes are already on the market, a person skilled in the art would be discouraged, after reading Suzuki, from creating a script that would predict what was already known. The differences suggested by applicant here are easy to discern because the present invention is not concerned with point-of-sale activity as in Suzuki. Rather, the present invention is concerned with setting prices and predicting market penetration before the products are delivered to point-of-sale retail outlets.

Claim 2 has been cancelled.

Applicant respectfully submits that claim 19, as amended, is not obvious over Suzuki for the same reasons set forth above in the parallel system claim 1.

Claim 20 has been cancelled.

Claim 21 has been cancelled.

Claim 15 was rejected under 35 USC 103(a) as being unpatentable over Smith. Applicant respectfully submits that claim 15, per the amendments to independent claim 14, is not obvious over Smith because Smith teaches away and discourages the claimed limitations. Claim 15 claims *inter alia* interposing a data processing system between a consumer and a vendor. Considered in its entirety, Smith teaches away from and discourages interposing a data processing system between a consumer and a vendor because it specifically discloses obtaining data directly from the utility company without an intermediary. The following previously mentioned excerpts from the Smith specification make this clear: (1) "...energy consumption from ... previous utility bills..." and (2) "*a utility company purchases and distributes energy,*

maintains their meters and administers billing to clients.” See Smith (US Patent No. 6,785,592) (emphasis added).

Accordingly, the applicant respectfully submits that claims 1, 19, and 15 are non-obvious over the prior art.

35 USC § 112, FIRST PARAGRAPH REJECTIONS

Claims 1, 2, 19-21 were rejected under 35 USC 112, first paragraph, as failing to comply with the written description requirement. The Office Action stated that “The claims are not enabled by the specification for an interactive script for presenting to a product vendor an option to refine a flexible representation of the product definition based upon actual purchase transaction data. Moreover, the skilled artisan is not apprised of the manner in which the representations of product definitions are to be considered ‘flexible.’” See Page 3 of Feb. 4, 2004 Office Action.

Applicant respectfully submits that Claim 1 as amended satisfies the written description requirement of 35 USC 112, first paragraph. The phrase “...for presenting to a product vendor an option to refine the flexible representation of the product definition based up actual purchase transaction data” has been amended to “to determine an optimal price for a particular commoditized sellable unit based upon the payment transaction data and to compare the payment transaction data with product offers to predict market penetration.” First, the specification is enabling for ‘payment transaction data’: (1) “...bill payment transaction data.” See Page 11, Line 11; (2) “...transaction data generated by the electronic bill presentment and payment mechanism.” See Page 12, Line 4; and (3) “...transaction data stream from the electronic bill payment process...” See Page 12, Line 16. Second, the specification is enabling for determining an optimal price for a sellable unit based upon that payment transaction data: (1) “At this phase the inventive function includes a method and system for providing an offer, which of all available offers, is the best available offer for a given customer.” (See Page 17, Line 9) and (2)

“The analysis engine weighs the elements of each purchase in order to optimize potential purchases. What would save the consumer money?” Third, the specification is enabling for comparing the payment transaction data with product offers to predict market penetration: (1) “[T]hat vendor can project market penetration with greater accuracy with the assistance of the DPS data engine.” (See Page 18, Line 20) and (2) “Once the catalogue of products and services (Transaction Database) is functionally operable, having a minimum amount of data necessary for analysis, the system is able to predict the behavior of the market defined by customers contained within the Customer Database...the offer is ranked according to the particular market segment which has shown the greatest market penetration....” See Page 17, Line 7.

Claim 2 has been cancelled.

Applicant respectfully submits that claim 19, as amended, satisfies the written description requirement of 35 USC 112, first paragraph. First, the words “...at least one extensible transaction in a database” have been modified to “...payment transaction data in an extensible database...” The specification is enabling for storing payment transaction data in an extensible database: (1) “[G]oods and services transactions are entered into the database....” See Page 13, Line 14. Second, the words “...transaction having flexible representations of product definitions” have been modified to “...the payment transaction data representative of one or more commoditized sellable units....” The specification is enabling for the payment transaction data representative of one or more commoditized sellable units: (1) “To effect the analysis of these purchases, the DPS develops a comprehensive and precise catalogue of goods and services, a Transaction Database,” See Page 13, Line 1; (2) “As a result, the transaction database catalogue contains distinct but largely similar definitions of both the [sellable unit 1] and [sellable unit 2],” See Page 13, Line 11. Third, the words “flexible representations” have been amended to “payment transaction data.” The specification is enabling for payment transaction data: (1) “...bill payment transaction data.” See Page 11, Line 11; (2) “...transaction data generated by the electronic bill presentment and payment mechanism.” See Page 12, Line 4; and

(3) "...transaction data stream from the electronic bill payment process..." See Page 12, Line 16. Finally, the words "plurality of interactive scripts to a product vendor to enable the vendor to refine the flexible representations based on actual purchase transaction data" have been amended to "an interactive script to determine an optimal price for a particular commoditized sellable unit based upon the payment transaction data and to compare the payment transaction data with product offers to predict market penetration." The written description requirement is satisfied for the same reasons set forth in the claim 1 analysis of this section.

Claim 20 has been cancelled.

Claim 21 has been cancelled.

35 USC § 112, SECOND PARAGRAPH REJECTIONS

Claims 1-6, 14, 16, and 22 were rejected under 35 USC § 112, second paragraph, as being indefinite for failing to particularly point out and distinctly claim the subject matter which applicant regards as the invention.

Applicant respectfully submits that Claim 1, as amended, is not indefinite. Claim 1 was rejected because "The phrase flexible representations of product definitions is not clear." Claim 1 has been amended to use the language "payment transaction data" instead of "flexible representations of product definitions." Applicant respectfully submits that payment transaction data is not indefinite given that its meaning is specifically set forth in the application: (1) "[T]he DPS ... read[s] the transaction data stream from the electronic bill payment process..." See Page 12, Line 15; (2) "[T]he DPS develops a comprehensive and precise catalogue of goods and services, a Transaction Database." See Page 13, Line 1; and (3) "[G]oods and services transactions are entered into the database..." See Page 13, Line 14.

Claim 2 has been cancelled.

Applicant respectfully submits that Claim 3, as amended, is not indefinite. Claim 3 was rejected because "[T]he line item transaction (used in each of lines 12 and 13) is unclear since a

plurality of transactions are set forth previously.” Claim 3 has been amended whereby lines 12 and 13 refer to the component line item transactions set forth previously in the Claim. Claim 3 was also rejected because “[I]t is not clear what is meant by the term accordingly.” The term “...accordingly.” has been amended to “...with the component line item transactions.” The specification is enabling for updating the purchase habit information for the customer in the customer database with the component line item transactions: (1) “Once these bundles are analyzed; the system catalogues the data derived from these bills in the Customer Database....” See Page 16, Line 4.

Applicant respectfully submits that Claims 4-6, as amended, are not indefinite. Claims 4-6 were rejected because “‘The method for compiling a customer database’ lacks antecedent basis in claim 3.” The phrase “for compiling a customer database” has been removed. Also, Claim 3 was amended to include “a unique identifier associated with each of the customer names” because Claim 4 requires an antecedent basis for “the customer’s unique identifier.” Further, in Claim 5 the words “for compiling a customer database” have been removed and the word “compiled” has been removed. Also, in Claim 3 the words “data associated with each of the customer names” has been added so that there is a proper antecedent basis for the words “the purchase habit data associated with a customer” in Claim 5. Finally, in Claim 6 the phrase “for compiling a customer database” was removed and the language was altered for clarity.

Applicant respectfully submits that Claim 4, as amended, is not indefinite. Claim 4 was rejected because “‘the customer data’ lacks antecedent basis. Claim 4 has been amended to “the customer database,” which has an antecedent basis in Claim 3.

Claims 14 and 16 as amended are not indefinite. Claims 14 and 16 were rejected because “‘elemental definitions elemental definitions’ appears grammatically incorrect. One of the “elemental definitions” in each of Claims 14 and 16 have been removed.

Claim 22 has been cancelled.


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35 USC § 101 REJECTIONS

Claims 3-11, 14-21, and 23 were rejected under 35 USC § 101 because the claimed invention is directed to non-statutory subject matter.

Business methods are statutorily patentable subject matter if the claimed method is useful, specific, and tangible. *AT&T Corp v. Excel Communications Inc.*, 172 F.3d 1352, 1356 (Fed. Cir. 1999); *State Street Bank & Trust Co. v. Signature Financial Group Inc.*, 149 F.3d 1368 (Fed. Cir. 1998).

"We take this opportunity to lay this ill-conceived exception to rest. Since its inception, *the 'business method' exception has merely represented the application of some general, but no longer applicable legal principle*, perhaps arising out of the 'requirement for invention'--which was eliminated by Section 103. Since the 1952 Patent Act, *business methods have been, and should have been, subject to the same legal requirements for patentability as applied to any other process or method.*"

State Street Bank & Trust Co. at 1375 (emphasis added).

Therefore, business methods are patentable subject matter if the claimed method is useful, specific, and tangible under the same legal requirements for patentability as applied to any other process or method. The language of the Federal Circuit Court is clear and unambiguous and a Section 101 rejection for the following claims is clearly not appropriate.

Claim 3 is directed towards a useful, specific, and tangible business method and therefore is statutorily patentable subject matter.

Claim 4 is directed towards a useful, specific, and tangible business method and therefore is statutorily patentable subject matter.

Claim 5 is directed towards a useful, specific, and tangible business method and therefore is statutorily patentable subject matter.

Claim 6 is directed towards a useful, specific, and tangible business method and therefore is statutorily patentable subject matter.

Claim 11 is directed towards a useful, specific, and tangible business method and therefore is statutorily patentable subject matter.

Claim 14 is directed towards a useful, specific, and tangible business method and therefore is statutorily patentable subject matter.

Claim 15 is directed towards a useful, specific, and tangible business method and therefore is statutorily patentable subject matter.

Claim 16 is directed towards a useful, specific, and tangible business method and therefore is statutorily patentable subject matter.

Claim 17 is directed towards a useful, specific, and tangible business method and therefore is statutorily patentable subject matter.

Claim 18 is directed towards a useful, specific, and tangible business method and therefore is statutorily patentable subject matter.

Claim 19 is directed towards a useful, specific, and tangible business method and therefore is statutorily patentable subject matter.

Claim 23 is directed towards a useful, specific, and tangible business method and therefore is statutorily patentable subject matter.

Claims 25-30 are directed towards a useful, specific, and tangible business method and therefore is statutorily patentable subject matter.

CONCLUSION

The Examiner is greatly appreciated for his attention to this application. Applicant has made the requested modifications to claims 3-6, 8-11, 16-18, and 23 and is thankful for their consideration for allowance. Furthermore, although there is disagreement with the rejections on the remaining claims, the Applicant has made amendments and respectfully requests withdrawal of the rejections; allowance and early passage of the claims through issuance. If the Examiner has any questions, the Examiner is invited to contact the Applicant's agent listed below.

Respectfully submitted,

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MAIL CERTIFICATE

I hereby certify that this communication is being deposited with the United States Postal Service via first class mail under 37 C.F.R. § 1.08 on the date indicated below addressed to: **MAIL STOP AMENDMENT**, Commissioner for Patents, P.O. Box 1450, Alexandria, VA 22313-1450.

June 24, 2005

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Myla Kent